



**Livestock and Seed Program
Audit, Review, and Compliance Branch
Quality System Audit Report**

AUDIT INFORMATION

Applicant Name:	Monterey County Certified Organic
Est. Number:	N/A
Physical Address:	1428 Abbott Street, Salinas, CA 93901
Mailing Address:	1428 Abbott Street, Salinas, CA 93901
Contact & Title:	Kenneth Allen, MCCO Supervisor
E-mail Address:	allenke@co.monterey.ca.us
Phone Number:	831-759-7325
Auditor(s):	David J. Hildreth
Program:	USDA National Organic Program (NOP)
Audit Date(s):	May 31 and June 10, 2006
Audit Identifier:	NP6151ACA
Action Required:	Yes
Audit Type:	Annual Update
Audit Objective:	To determine the compliance of the company's information to the requirements of the audit criteria
Audit Criteria:	<ul style="list-style-type: none">• 7 CFR Part 205.510, National Organic Program, Final Rule, dated December 21, 2000, Amended November 3, 2003
Audit Scope:	Monterey County Certified Organic 2006 Annual Report
Location(s) Audited:	Desk

Information submitted by the Monterey County Certified Organics (MCCO) for the annual update (2006) report included:

- ARC 1025C Annual Update Checklist and responses to address all areas on the checklist as required.
- Signed Conflict of Interest Disclosure Forms for all personnel involved in the NOP certification process.
- Performance evaluation summaries for all personnel involved in the NOP certification process.
- List of current certification activities which includes 12 crop producers and 9 handling operations.
- Current fee schedule.
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- Certification files; 2 files submitted, 1 cop and 1 handler.



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- MCCO Annual Internal Audit review was performed by a contracted third party and the results were submitted with the annual update report.

FINDINGS

Procedures and records reviewed verified that MCCO is currently operating in compliance to the requirements of the audit criteria except as identified in the non-compliance below. Three non-compliances are outstanding from the 2005 annual update review. One minor non-compliance was identified during this review.

NP5154GGA.NC1 – Minor – Outstanding - NOP §205.403(c)(2) states, “The on-site inspection of an operation must verify: That the information, including the organic production or handling system plan, provided accurately reflects the practices used or to be used by the applicant for certification or by the certified operation.” *Watsonville Coast Produce provided a list of all certified organic suppliers and provided certificates for them; however, 17 certificates indicated certification to standards other than the NOP i.e. IFOAM and EU2092/91. An equal number of certificates also indicated an effective date ending in 2002. The inspection report did not indicate the discrepancies.*

NP5154GGA.NC2 – Minor – Outstanding - NOP §205.501(4) requires the certifying agent to use a sufficient number of adequately trained personnel to comply with and implement the organic certification program. *Three of six inspection reports for the files submitted indicated that inspections were delayed due to staffing shortages or vacation schedules.*

NP5154GGA.NC3 – Minor – Outstanding - NOP §205.501(a)(11)(v) requires the certifying agent to complete an annual conflict of interest disclosure report for all personnel connected to the certification process. *Conflict of interest disclosure reports were submitted; however, they did not list any potential conflicts of interest. The statements were signed documents that re-state the NOP sections 205.501(a)(11) (i) through (v).*

NP6151ACA.NC1 – Minor – NOP §205.404 (b)(2) “The certifying agent must issue a certificate of organic operation which specifies the effective date of certification.” *The certificate issued by MCCO to Costa Farms Inc., has a date of issue of April 12, 2006. Costa Farms has been certified for over 18 months according to MCCO’s latest inspection report; therefore, the certificate does not include the effective date that the operation was first certified to the NOP.*